

KEPPEL OPP'N EXH. 53

1
2 UNITED STATES DISTRICT COURT
3 SOUTHERN DISTRICT OF NEW YORK
4 Case No. 18-cv-01047 (PGG)

5 -----x
6 EIG ENERGY FUND XIV, L.P.,
7 EIG ENERGY FUND XIV-A, L.P.,
8 EIG ENERGY FUND XIV-B, L.P.,
9 EIG ENERGY FUND XIV (CAYMAN), L.P.,
10 EIG ENERGY FUND XV, L.P.,
11 EIG ENERGY FUND XV-A, L.P.
12 EIG ENERGY FUND XV-B, L.P.
13 EIG ENERGY FUND XV (CAYMAN), L.P.

Plaintiffs,

-against-

12 KEPPEL OFFSHORE & MARINE LTD.,
13 Defendant.

-----x

14
15 * * * CONFIDENTIAL * * *

16 VOLUME II

17 VIRTUAL ZOOM DEPOSITION

18 LEONG PENG TAN

19 July 16, 2021
20
21

22 Reported By:

23 Erica Ruggieri, CSR, RPR
24
25

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2 was the e-mail about.

3 Q. I appreciate that, sir.

4 But you agree that he received this
5 information identifying the visitors
6 who were coming to the BrasFEL
7 shipyard at the end of March 2012 as
8 potential investors in Sete,
9 correct?

10 A. He received a forwarded
11 e-mail from Zwi, okay, on the
12 request from Sete Brasil say, "Good
13 morning, Zwi. Fabio Cunha ask that
14 I contact you because we'd like to
15 bring one of our potential investors
16 to the BrasFELS shipyard. Can we
17 call on your usual assistance? We
18 are anticipating this visit to be on
19 March 27 or 28."

20 MS. PAK: Okay. I have marked
21 as Plaintiffs' Exhibit 100 an
22 e-mail chain which has been
23 translated which is Bates stamped
24 Keppel 00012940 to 941.

25 (Exhibit 100, E-mail, Bates

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2 Keppel 00012940 to 941, marked for
3 identification, as of this date.)

4 Q. Let me know when you see
5 it.

6 MR. BARBUR: I don't see a
7 translation. I see an e-mail in
8 Portuguese.

9 A. I see the exhibit but what
10 Peter say is in Portuguese.

11 Q. All right. So we will come
12 back to this. The document I have
13 is a translation. Let me see what
14 you see. All right, fine. We can
15 come back to it.

16 Mr. Tan, did KOM consider
17 Sete's ability to secure equity
18 financing in or around March 2012 to
19 be in Keppel's own interest?

20 A. Be Keppel what? Sorry.
21 The last part.

22 Q. Sure. Did KOM consider
23 Sete's ability to secure equity
24 financing in or around March 2012 to
25 be a benefit to Keppel's own

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2 interest?

3 A. I would say the ability --
4 since we had for this time the first
5 unit of the six semi then for Sete
6 Brasil to get financing so as to pay
7 us, okay. They will be the interest
8 party.

9 Q. So Keppel understood that
10 any funding that Sete received from
11 investors would help Sete pay for
12 the construction of additional rigs
13 by Keppel and the other shipyards,
14 correct?

15 A. The projects all require
16 financing.

17 Q. Thank you.

18 MS. PAK: I have marked as
19 Plaintiffs' Exhibit 101 an e-mail
20 dated August 7, 2012, with its
21 attachment. It is Bates stamped
22 Keppel 00453866 to 869.

23 (Exhibit 101, E-mail 8/7/2012,
24 with attachment, Bates Keppel
25 00453866 to 869, marked for

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2 identification, as of this date.)

3 Q. Let me know when you have
4 it before you, sir.

5 A. Yes.

6 Q. If you look at the first
7 page, it's an e-mail from Kenneth
8 Chong dated August 7, 2012, to Zwi
9 at Eagle Brazil EAGLBR.com cc'ing
10 Tommy Sam, K.C. Kwok and yourself.

11 Do you see that, sir?

12 A. Yes.

13 Q. He writes, "Seems there is
14 going to be some changes in the
15 shareholding structure of Sete."

16 Do you see that, sir?

17 A. Um-hmm.

18 Q. And if you turn to the next
19 page, which is the first page of the
20 attachment to this e-mail, it's an
21 article dated August 17, 2012, and
22 it states, "Brazilian oil rig
23 contractor Sete Brasil is raising
24 fresh cash from investors as it
25 embarks on a mammoth project to

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2 build dozens of rigs to explore huge
3 oil reserves off Brazil's southeast
4 coast that lie kilometers below the
5 Atlantic seabed. The firm has now
6 raised about 7.2 billion Brazilian
7 real," and it says in parentheses
8 "\$3.6 billion) from equity
9 investors, including 5.3 billion BRL
10 in this second and latest round
11 according to two people familiar
12 with the transaction. The funding
13 deal closed last Tuesday and saw
14 Brazil's Banco BTG Pactual SA and an
15 infrastructure investment fund it
16 manages become the largest investor
17 in Sete with about a 30 percent
18 stake according to one of the
19 people. BTG invested around BRL
20 2 billion on top of the BRL
21 250 million invested the first time
22 around this person said."

23 Do you see that, sir?

24 A. Yes.

25 Q. If you look at the top of

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2 question.

3 Q. Do you know what the
4 general sentiment of the lenders was
5 following the meeting?

6 A. I don't know.

7 Q. And you did not receive any
8 prep material that would provide you
9 that information, Mr. Tan?

10 A. I don't recall.

11 Q. Did KOM consider Sete's
12 ability to secure long-term
13 financing to be necessary in order
14 for Sete to complete the
15 construction of the 28 drilling rig
16 units?

17 A. All these drilling -- this
18 drilling rig program would need
19 financing to complete.

20 Q. Did KOM consider Sete's
21 ability to secure long-term
22 financing to be necessary to
23 complete the construction of its
24 rigs?

25 A. Yeah, the projects need

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2 financing to complete.

3 MS. PAK: I think he said,
4 yeah, the projects need financing
5 to complete.

6 Q. Is that right, Mr. Tan?

7 A. Yes.

8 Q. I just want to clean up the
9 record. Did KOM consider Sete's
10 ability to secure long-term
11 financing to be necessary to
12 complete the construction of its
13 rigs.

14 A. Let me say again for the
15 Sete project, the rigs project there
16 would be financing to complete.

17 Q. Okay. Thank you.

18 MR. BARBUR: We have been
19 going almost two hours. Can we
20 take a break at a convenient point?

21 MS. PAK: Now is fine with me.

22 MR. BARBUR: Okay. Let's take
23 ten minutes.

24 THE VIDEOGRAPHER: The time is
25 7:57. We are off the record.

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2 (Whereupon, there is a recess
3 in the proceedings.)

4 THE VIDEOGRAPHER: The time is
5 8:11. We are on the record.

6 Q. Mr. Tan, you are on mute.
7 Okay.

8 Mr. Tan, did Lava Jato --
9 Mr. Tan, you are on mute.

10 MR. BARBUR: I think he wanted
11 to say something that he thought of
12 on the break.

13 A. Sorry, Claudia, but during
14 the -- during the break I check back
15 on my records again. I think that
16 an earlier question from you whether
17 Y.Y. Chow is the COO at that point
18 in time in 2011. I check the
19 record. He's not the COO -- he's
20 not the COO of KOM at that point in
21 time. He's still the president of
22 Americas.

23 Q. So when did he become the
24 COO of KOM? When did Y.Y. Chow
25 become the COO of KOM?

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2 A. 2012.

3 Q. 2012?

4 A. Yes.

5 MR. BARBUR: Two zero one two.

6 Q. Yesterday you testified
7 that Y.Y. Chow was a senior
8 executive at KOM starting 2011. Did
9 you not, sir?

10 A. KOM USA.

11 Q. That's not the testimony
12 you provided yesterday.

13 A. I have to see which part of
14 that you are referring to.

15 Q. When did Y.Y. Chow become a
16 managing director of KOM?

17 A. There's no managing
18 director.

19 Q. Yesterday you testified
20 that Y.Y. Chow was a managing
21 director of KOM.

22 A. There is a very short
23 period of time. He's not -- he's
24 not that.

25 Q. Did Y.Y. Chow hold any

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2 position at KOM in 2011?

3 A. He's the president of
4 Americas.

5 Q. Did Y.Y. Chow -- did
6 Y.Y. Chow hold any position at
7 Keppel Offshore & Marine either the
8 entity or the board in 2011?

9 A. In 2011 Y.Y. Chow is the
10 president of Americas, KOM USA.

11 Q. Is it your testimony that
12 Y.Y. Chow did not hold any position
13 either on the board or the entity in
14 2011 at Keppel Offshore & Marine?

15 A. Keppel entity. Sorry, can
16 you repeat that again?

17 Q. Is it your testimony that
18 Mr. Y.Y. Chow did not hold any
19 position either on the board or the
20 entity of Keppel Offshore & Marine
21 in 2011?

22 A. Yes.

23 Q. All right. We will come
24 back to this.

25 Mr. Tan, did you discuss the

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2 substance of your testimony with
3 counsel over the break?

4 A. Say again.

5 Q. Did you discuss your
6 testimony with counsel over the
7 break?

8 MR. BARBUR: You should answer
9 that yes or no.

10 A. No.

11 Q. You did not?

12 A. Yeah.

13 Q. Did Lava Jato have any
14 affect on Sete's ability to receive
15 long-term financing?

16 A. I don't know.

17 Q. In preparing for this
18 deposition did you look at or review
19 any documents about Lava Jato and
20 any affect it might have had on
21 Sete?

22 A. Please give me a minute.
23 Sorry, maybe before that may I know
24 which topic are we on.

25 Q. It's 11.

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2 A. So repeat your question.

3 Q. Did Lava Jato have any
4 affect on Sete's ability to receive
5 long-term financing?

6 A. I don't know.

7 Q. Do you know anything about
8 the events of Lava Jato that
9 occurred in February 2015?

10 A. I know that the Lava Jato
11 is a Brazilian bribery case from the
12 public source.

13 Q. Okay. But my question was
14 what do you know about the events of
15 Lava Jato that occurred in
16 February 2015?

17 A. Well, I just know that is a
18 bribery case.

19 Q. You are not aware that in
20 February 2015 Mr. Barusco's plea
21 agreement became public.

22 A. Yes. From the public
23 source, yes.

24 Q. And are you aware that his
25 statements became public and

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2 the day that Sete Brasil got on the
3 spotlight of" oper- -- it says,
4 "operation Lava Jato complaints, the
5 signing of the financing agreement
6 of the National Bank for the
7 Economic and Social Development
8 (BNDES), Caixa Econômica Federal
9 (CEF) and UK Export Finance to the
10 company, scheduled for today, has
11 been suspended."

12 Do you see that, sir?

13 A. Yes.

14 Q. Does this refresh your
15 recollection as to whether or not
16 Lava Jato had any affect on Sete's
17 ability to receive long-term
18 financing?

19 A. This is a newspaper article
20 by Valor.

21 Q. I appreciate that. But can
22 you please answer the question?

23 A. You say that the financing
24 has been suspended.

25 Q. The financing was suspended

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2 as --

3 A. The financing -- sorry.
4 The financing agreement has been
5 suspended.

6 Q. And the financing
7 agreements, the signing of the
8 financing agreements was suspended
9 due to the fact that Mr. Barusco's
10 plea agreements had been made public
11 the day before, right, sir?

12 A. Is it on the 6th? I
13 can't... I don't know the timeline
14 but of the 7 February that's what
15 has been reported.

16 Q. The signing of the
17 financing contracts were suspended
18 due to the fact that Mr. Barusco's
19 plea agreements had been made
20 public, right, sir?

21 A. Yes, regards to the
22 operation Lava Jato.

23 Q. Okay. That's not a full
24 sentence so I honestly just am not
25 sure what the answer is.

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2 A. What I'm saying -- sorry,
3 sorry.

4 Q. I'm trying to understand
5 your answer.

6 A. The answer is that based on
7 the newspaper article the financing
8 to Sete Brasil is suspended due to
9 Lava Jato.

10 Q. Are you aware that Sete was
11 not ever able to receive long-term
12 financing for the rigs project?

13 A. Yes. And we -- yes. When
14 we -- when they stopped paying us.

15 Q. I'm switching to another
16 topic, Mr. Tan.

17 Mr. Tan, what were the
18 findings of any internal
19 investigation that Keppel conducted
20 relating to the bribery scheme at
21 Sete or the rigs project?

22 MR. BARBUR: I caution the
23 witness not to disclose any
24 privileged communications.

25 A. Sorry, can you just repeat

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2 again?

3 Q. What were the findings of
4 any internal investigation Keppel
5 conducted relating to the bribery
6 scheme at Sete or the rigs project.

7 A. These are privileged
8 information.

9 Q. Is it -- is it -- do you
10 have any information as to what the
11 findings were as to which
12 individuals from Keppel were
13 involved in the bribery scheme as a
14 result of Keppel's internal
15 investigation?

16 A. Sorry, these are all
17 privileged information. I can't
18 talk -- I can't speak about.

19 Q. The question is if you have
20 any information. I'm not asking you
21 to reveal it. I'm asking you
22 whether you have any information as
23 to what the findings were as to
24 which individuals from Keppel were
25 involved in the bribery scheme as a

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2 result of any internal investigation
3 Keppel conducted?

4 A. In the information would be
5 the DPA, as submitted in the DPA.

6 Q. Well the DPA is a public
7 document, right, sir?

8 A. Yes, right.

9 Q. You just -- so the only
10 information you have as to the
11 findings of the internal
12 investigation come from the DPA, is
13 that your testimony?

14 A. That's right.

15 Q. I'm not asking you
16 personally. I'm asking as KOM's
17 representative. Do you have any
18 information does Keppel Offshore &
19 Marine have any information as to
20 which individuals from Keppel were
21 involved in the bribery scheme
22 relating to Sete or the rigs
23 project --

24 MR. BARBUR: Just so we are
25 clear --

1
2 STATE OF NEW YORK)

3 ss.:

4 COUNTY OF NEW YORK)

5
6 I, ERICA L. RUGGIERI, RPR and a
7 Notary Public within and for the State
8 of New York, do hereby certify:

9 That I reported the proceedings
10 in the within-entitled matter, and
11 that the within transcript is a true
12 record of such proceedings.

13 I further certify that I am not
14 related by blood or marriage, to any
15 of the parties in this matter and
16 that I am in no way interested in the
17 outcome of this matter.

18 IN WITNESS WHEREOF, I have
19 hereunto set my hand this 19th day of
20 July, 2024.

21 
22

23 ERICA L. RUGGIERI, RPR, CSR, CLR
24
25